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III. Estimated Public Attendance. Approximately 39 members of the public attended the meeting as observers.

VI. Documents Introduced. Each member received the following handouts:

- (1) Agenda
- (1a) CIS Public Relations Department, CIS Media Policy
- (2) LNPA Working Group Status Report to NANC
- (3) Wireless Number Portability Subcommittee, Wireless Pooling Alternative Evaluation
- (4) Wireless Portability Subcommittee, Key Issues & Action Items
- (5) Wireless Number Portability Subcommittee Status Report
- (6) LNPA WG 2nd Report on Wireless Wireline Integration
- (7) INC Report, Status Report - Number Pooling
- (8) INC Reseller Background Information
- (9) Cost Recovery Working Group Update
- (10) NANPA Fund Performance Status Report & Funds Projection
- (11) Audits Issue Management Group Report, NPRM 90
- (12) NANC IMG, NPRM 38
- (13) Paragraph 165 – IMG, Update
- (14) NANPA Oversight Working Group
- (15) INC Issue Statement 194, Audit Guidelines
- (16) NANPA Oversight WG letter to Chairman Hasselwander, June 28, 1999
- (17) INC Issue Statement #193, Prohibition for Splitting Rate Center(s) During NPA Relief
- (18) June 22-23, 1999 NANC Meeting Minutes
- (19) NRO Report to NANC, July 21, 1999
- (20) NRO Report on Telephone Number Reservations
- (21) U S West Summary, Re: Minnesota Issue

V. Summary of the Meeting:

A. Opening Remarks. Chairman Hasselwander provided welcoming remarks. A format change was announced. The NANC meeting will end at 4 p.m.; the Steering Group meeting will take place from 4:30 p.m. until 6 p.m.

B. Lockheed Martin CIS Media Policy Announcement. Larry Vagnoni provided an overview of the CIS Media Policy to the Council. There has been a lot of activity, particularly at the state level as it pertains to NPA relief planning and number exhaust. While CIS has been accurate in addressing the issues raised by the media, it has received a couple of inquiries and wanted to share with the NANC members the current CIS policy dealing with the media, in light of the increased amount of activity. Since the

beginning of the NANPA contract, CIS has handled over 500 media calls and contacts. CIS has a full time person, Rebecca Barnhardt, CIS Director of Public Relations, who is the coordinating point for all the media questions. The handout contains several bullet points on how CIS Media Policy operates. It is an important CIS goal to attempt to ensure that factual, neutral information is given to the media. It can be a difficult process at times. CIS will attempt to correct any inaccuracies or misquotes and try to work very closely with the service providers who might be identified in the stories as well. From a CIS perspective, it is a goal that the facts are being reported accurately and fairly for all parties concerned. With respect to procedures and practices, NANC members should be aware of CIS's intention to get the facts out as soon as possible. Ms. Barnhardt may be reached during normal business hours at (202) 414-3559.

C. Local Number Portability Administration (LNPA) Working Group Report.

Charles Ryburn, SBC, Co-Chair, and Shelly Shaw, Ameritech, Co-Chair, presented the LNPA WG Report. Anna Miller, BellSouth Cellular, presented the Wireless Number Portability Subcommittee (WNP SC) Report. Initially, Ms. Miller reviewed the key issues addressed in the most recent WNP SC meeting held during the second week of July 1999. First, with regard to the wireless number portability alternative, the WNP SC identified barriers to wireless service providers' participation in Thousands Block Pooling absent full Phase 2 Local Number Portability (LNP) deployment (querying and LNP database capability). In addition, the WNP SC issued its initial draft of an Inter-carrier Test Plan, and, with regard to U.S. and Canada roaming, discussed the effects of the lack of Mobile Identification Number/Mobile Directory Number (MIN/MDN) separation in certain networks. WNP SC Action Items include:

- (1) The Phase 2 Wireless Number Portability Timeline was updated to reflect the Inter-carrier Communication Process evaluation and Inter-carrier Test Plan targeted completion date.
- (2) The WNP SC will send a liaison letter with the updated Timeline and a request for input on the deliverables required for inter-carrier testing logistics coordination to the Regional LNP Operations Teams to foster discussion.
- (3) The Inter-carrier Test Plan subgroup continues to work on the Test Plan and meets every Monday of the LNPA WG meeting week.
- (4) The WNP SC will make additional contributions on the service impacts on U.S. and Canada roaming.
- (5) For the Reseller Option, an open action item, the WNP SC will request additional contributions on the modifications that will be required to support the indirect and direct reseller options.
- (6) Based on anticipated responses to liaison letters regarding Number Portability Standards Overview and Update from Alliance for Telecommunications Industry Solutions (ATIS) Committees T1S1, T1P1, and TR45, the WNP SC will coordinate the Committees' presentations.

Liaison letters requesting an overview and update on Number Portability standards were sent to the chairs of ATIS Committees T1S1.6, T1P1, and TR45.

With regard to the WNP SC Wireless Pooling Alternative Evaluation report, Requirements and Impacts for wireless roaming support without MIN/MDN separation were described. This is a situation where, due to switches' inability to examine more than six digits of a telephone number and absent MIN/MDN separation, a wireless service provider would be unable to query the correct home mobile switching center (MSC) to validate a visiting subscriber assigned a pooled number. Therefore, without MIN/MDN separation, a wireless service provider could only validate a visiting subscriber assigned a pooled number if: (1) there is only one wireless service provider per pooled NPA NXX; (2) the wireless service provider is the Code Holder, *i.e.*, the Local Exchange Routing Guide (LERG) assignee, and (3) the wireless thousand-number blocks are non-contaminated.

Chairman Hasselwander asked what would be the advantage of pooling under these circumstances. Ms. Miller replied that the only advantage is that MIN/MDN separation would not have to be performed to do pooling. This, however, could require some modifications to the INC Thousands-Block Pooling Administration Guidelines regarding receipt and donation of contaminated thousand-number blocks and submission of forecast and utilization information by LNP capable carriers. Chairman Hasselwander asked how assigning the entire NXX Code to one wireless service provider would help conserve numbers and be an advantage from a numbering resource optimization perspective. Ms. Miller replied that it could be an advantage if there were non-contaminated number blocks a wireless service provider could donate to the pool for use by wireline service providers.

Ms. Miller reviewed the WNP SC's identification of barriers to wireless carriers' participation in number pooling prior to implementation of LNP. Specifically, without Wireless Number Portability Phase 2 software, *i.e.*, the Telecommunications Industry Association (TIA) IS 756A standard, the MSC cannot process and terminate calls to pooled telephone numbers. Thus, there are two barriers to wireless participation in pooling before porting. First, IS-41 carriers must implement the TIA IS 756-0 standard, where the MSC performs a query to obtain the Location Routing Number (LRN) to route a call to a pooled number. Second, these carriers must implement the IS 756A standard so wireless carriers' switches can process the Initial Address Message (IAM) of a queried call in order to terminate calls to pooled numbers. The IAM, if the called number is pooled, will contain the LRN in the Called Party Address Parameter and the Mobile Directory Number in the Generic Address Parameter. Because software for both of these standards is not currently available from all wireless software vendors, it is unlikely that wireless carriers can implement pooling before portability. Moreover, attempting to implement pooling prior to wireless number portability could jeopardize implementation of the latter. The WNP SC concluded that the industry should focus on MIN/MDN separation so wireless LNP implementation would not be further delayed.

Gerry O'Brien asked whether TTY and 311 non-emergency number implementation have been considered in the context of wireline to wireless pooling. Ms. Miller replied that she was not sure about these two items, but that part of the WNP SC's Work Plan is to

consider new services when standards are developed and to ensure that they function properly in an LNP environment.

Beth Kistner, ALTS, questioned whether the two-year time period for testing wireless LNP software was absolutely needed. Ms. Miller replied that at this time it is needed to ensure everything associated with Wireless LNP functions properly. The three months scheduled for internal testing is necessary to verify that all network and back-office systems changes that support MIN/MDN separation function as expected. Five months are scheduled for Number Portability Administration Center (NPAC) turn-up testing, and eight months are scheduled for inter-carrier testing. Ms. Kistner, at Chairman Hasselwander's request, clarified her question, and asked how much of the two-year time frame is needed for pooling and how much is needed for portability. Ms. Miller replied that she assumes the NPAC platform is needed for pooling, which requires NPAC certification and turn-up, and both of these require testing. It may be possible, however, if pooling is implemented without porting, to reduce the time needed for inter-carrier testing. Chairman Hasselwander asked whether, after Phase 1 and Phase 2 software are completed, the alternative method for number pooling could be implemented soon after, rather than waiting for two years as indicated in the Wireless Number Pooling Timeline. Ms. Miller replied that two years is needed for testing the various functions noted in the timeline. Some time, however, may be saved during the inter-carrier portion of the testing because not all of the provisioning processes associated with portability need testing with pooling. Also, MIN/MDN separation is not needed if there is only one wireless service provider per NXX. In response to a question regarding whether there is any overlap in the timeline where testing could be accomplished simultaneously, Ms. Miller replied negatively, and stated that the timeline is intended for the entire industry, although some carriers may finish testing sooner.

Mr. Ryburn continued the LNPA WG presentation. Regarding the LNP Problem Identification Management (PIM) Proposed Work Plan, PIM sub-team members received draft forms and process flows to review. The PIM sub-team will finalize the forms and process flows during its August 1999 meeting and will then submit them to the LNPA WG for approval. Although this process is taking time to fine-tune, industry members brought two issues to the LNPA WG using the existing forms, and these are scheduled for the August LNPA WG meeting. Also, the NPAC has set up a PIM page at the npac.com web site under the LNPA WG for issue submission. Ms. Kistner asked what is being done with the recommendation to seek more industry input on LNP implementation issues. Mr. Ryburn replied that the process and scope discussed in the last meeting have not been finalized, and that the PIM sub-team has only let the industry know the forms are available and they can be submitted to the LNPA WG.

Ms. Kistner commented that the NANC-approved recommendation from the IMG suggests that input is needed from all carriers about LNP implementation problems, and reiterated her concern about the status of that process. Ms. Shaw replied that the process for that issue is complete and the form has been submitted to the LNPA WG for approval. The WG will discuss a potential industry wide workshop at its next meeting. This will be part of the LNPA WG's August report.

Ms. Kistner commented that the PIM Group was formed to address current LNP implementation problems, not those that may occur in the future. Brad Baxter, Nextlink, asked if the PIM scope had been established. Mr. Ryburn replied no, but there had been discussions about problem resolution versus dispute resolution, and that issue should be addressed further in the next PIM subcommittee meeting. Chairman Hasselwander asked what is the issue involving scope. Mr. Ryburn replied that the issue is whether the PIM process is a problem resolution process or a dispute resolution process. The sub-team will use some recently available information to resolve this issue in the August meeting.

Bill Adair, SBC Communications, questioned whether the PIM group's focus revolved around overall LNP process improvement or resolution of individual porting problems. Mr. Ryburn replied that the focus, as he saw it, was to improve LNP processes, although there is sometimes a fine line between process improvement and dispute resolution. Chairman Hasselwander asked Ms. Kistner how the IMG determined the PIM scope. Ms. Kistner answered that the question in defining the PIM scope was whether the LNPA WG should take overall oversight responsibility for identifying and resolving LNP problems, either directly or through referral to other existing groups, but with tracking by the LNPA WG. The IMG determined the process should not focus on carriers placing blame, but instead should be used to identify and resolve generic LNP process problems, possibly even cross-regional (there are seven LNP NPAC regions).

Chairman Hasselwander asked if the LNP dispute resolution process should be used for specific problems between carriers. Ms. Kistner replied that it also had to do with carrier disputes with the NPAC, but was never really defined. Mr. Ryburn commented that the group is closer to agreeing on the scope definition and should reach a consensus in the August meeting. Chairman Hasselwander commented that the NANC possibly should consider resolving disputes between carriers. Mr. Baxter concurred and stated that he believes the PIM consensus is to address more universal problems, and specific problems between two carriers can be resolved, if necessary, by using the dispute resolution process.

Mr. Ryburn noted that the Wireline/Wireless Integration report was delivered to the NANC, via e-mail, on June 30, 1999. Chairman Hasselwander suggested that this report, if accepted by the NANC, should be given to the FCC's Common Carrier Bureau (CCB), and asked if anyone had any concerns about the report. Mr. O'Brien expressed concern about the excessive number of holidays and the inconsistency between wireless and wireline business hours, both contained in the Operational Issues section of the report, as well as E911 and TTY compatibility and the lack of treatment of the pre-pay issue. Mr. O'Brien also stated that the Code Holder should report Type 1 numbers, such as those assigned for Direct Inward Dialing, to avoid confusion. Chairman Hasselwander commented that the report is a work in progress and comments should be worked and resolved in the respective groups, and again suggested that it be forwarded to the CCB as an interim report.

Norman Epstein, GTE, asked whether a time frame could be established for submission of comments on the report. Chairman Hasselwander questioned whether the LNPA WG could handle such issues, rather than bringing them to the NANC, unless they concerned policy issues that need resolving. Lolita Smith, CTIA, questioned whether the LNPA WG would just continue to recommend alternatives, such as that for the porting interval, or would it finally recommend one or more alternatives that would be sent to the FCC and put on public notice for comment. Mr. Ryburn replied that presently, all three porting interval reduction alternatives are viable recommendations. Service providers could choose depending on their circumstances. Eventually, however, this could be reduced to one.

Karen Mulberry, MCI WorldCom, expressed concern about potential E911 problems, such as the Public Safety Answering Point not being able to call the wireless subscriber if disconnected, with all of the alternatives in the report, and asked if there are any plans to resolve these problems. Mr. Ryburn replied that these problems are being considered. Chairman Hasselwander asked whether there is a technical solution to this issue. Mr. Ryburn answered that industry is working to find a solution. Mr. O'Brien suggested that the NANC could recommend that the FCC give limited liability in the case of E911 calls to wireless companies engaged in porting. Mr. Ryburn, in response to Chairman Hasselwander's question, stated that the LNPA WG is still working on the Wireless/Wireline Integration Report. Chairman Hasselwander suggested there could be a discussion concerning a timeline for submission of comments on outstanding issues. Seth Jones, Nextel Communications, asked if the LNPA WG has determined the duration of the anticipated blackout period when a wireline customer is porting a number to a wireless service provider, the so-called "mixed-service" period. Mr. Ryburn replied that the WG is considering a mixed-service period that could last up to three days. When NPAC activation is done after the 24-hour Local Service Request (LSR) Firm Order Commitment (FOC) period, there is another three-day porting interval between that time and the wireless disconnect. There is nothing currently being planned to reduce this timeframe.

With regard to the E911 issue, Chairman Hasselwander asked what the NANC would recommend if this issue could not be resolved. Ms. Kistner questioned whether the wireless service providers could accept a longer porting interval, and Mr. Ryburn replied no, because wireless customers are used to instant activation. Chairman Hasselwander commented that the report attempts to reach a compromise between the three-day wireline-porting interval and the wireless service providers' real-time processing, but identifies some E911 problems. Is it acceptable, then, for the problems to remain for three days? Mr. O'Brien commented that a wireline E911 call may not always go through, but wireless carriers are expected to always complete E911 calls, which reflects, somewhat, the difference between technology and policy. Ms. Mulberry asked whether there is any intention to change the wireline-porting interval. Mr. Ryburn replied there is not, and that the LNPA WG determined that wireline service providers, with their current level of LNP experience, are unable to shorten the interval. Ms. Mulberry expressed concern about the potential failures of an E911 call-backs.

Ms. Kistner commented that it seemed there was not yet a business practice for instantly porting wireline numbers to wireless service providers, and that the wireless industry may have to accept the three-day interval. Mr. Ryburn replied that the wireless industry desires instant porting, rather than the three-day interval, but the wireline industry determined that anything shorter could not be accomplished at this time. The alternatives identified in the report are the best three, and the WG is concerned about the associated E911 issues. The WG's plan was to identify these issues in the report and obtain NANC feedback on what they really entail.

Ms. Smith asked whether the wireline industry could shorten the porting interval in the future, and about an anticipated time frame for such a development. Mr. Ryburn replied in the affirmative and that such a development would probably occur over the long-term. Ed Gould, AT&T, commented that there probably would always be an interval, although it could be shorter. Chairman Hasselwander suggested that members send him report comments and that the NANC discuss unresolved issues in the next meeting, before making a final report.

Mr. Ryburn noted that there are not any problems with NPAC Release 2.0, and Release 3.0 is in negotiation. Y2K compliance will be re-certified in the fourth quarter after Release 2.0 goes into production. The Pooling sub-team determined that separating Efficient Data Representation (EDR) from Release 3.0, which is the number pooling version, will not accelerate its release because EDR comprises the major part of the release. Chairman Hasselwander asked if there are any cost affecting or cost trade-off issues in Release 3.0 with regard to what is accomplished at the NPAC and what is accomplished in the operating systems of the carriers. Mr. Ryburn replied that he was not aware of any. Barry Bishop, Lockheed Martin, volunteered that the NPAC could look into that issue and report later in the day.

With regard to the Slow Horse update, the monthly rate at which a Service Provider fails to receive broadcasts remains at one to two percent, based on January through May data. There is not a Slow Horse subcommittee consensus that this failure rate is unacceptable, but there is a consensus that this data cannot be used to identify the root cause or extent of the Slow Horse problem. The Slow Horse subcommittee recommends that the LNPA WG should ask Lockheed Martin to suggest Local Service Management System (LSMS) performance requirements at its August meeting, and that the subgroup develop actual requirements at its next meeting. The LNPA WG could then use these requirements to determine the extent of the Slow Horse problem. (The one to two percent failure rate concerns messages sent from the NPAC to the LSMS.) Mr. Ryburn replied in the affirmative to Gerry Thompson's, Mobility Canada, question regarding whether failed message notices are sent to an error file and suggested that this may be used to determine the root cause. Mr. Gould commented that he assumed the goal was to determine whether LSMS capacities match the NPAC's message send rate, and specific performance requirements could eliminate the problems that were experienced. Mr. Ryburn concurred.

Ms. Mulberry commented that a one to two percent failure rate is unacceptable, which suggests the NANC should examine the problem in depth. Mr. Ryburn replied affirmatively to Mr. Baxter's question as to whether the Slow Horse Committee is looking for problems between the LSMS and the Service Control Point. When Mr. O'Brien asked about proposed standards, Mr. Ryburn replied that the Slow Horse Committee has not yet proposed any standards. Mr. Gould concurred with Ms. Mulberry's statement, and suggested that industry should work to have no porting errors. Loren Sprouse, Sprint, suggested that carriers could report this item to the FCC, just as other items are reported. Barry Bishop, LM, interjected that messages are rebroadcast when errors occur, although timing errors sometimes require numerous retransmissions. Calls are not completed occasionally because some service providers receive these messages much later than others; the implications and costs due to these failures are unknown at this time. Trent Boaldin, OPASTCO, supports error reduction, but not at any cost, especially since messages are rebroadcast. Chairman Hasslewander stated the NANC will revisit this issue at the August meeting.

D. Industry Numbering Committee (INC) Report. Chairman Hasselwander prefaced the Industry Numbering Committee (INC) Report with remarks that this report contains an issue concerning conclusions reached by the Issues Management Group, and by the INC, on Thousands Block Portability Administration. INC Moderator Shawn Murphy, AT&T, presented the report to the Council. Richard Round has resigned as INC Moderator due to a change in job responsibilities. Julie Petersen, Southwestern Bell, was elected as INC Assistant Moderator.

The Pooling Administration Guidelines issue in initial closure, Issue 181, which was originally submitted by GTE and supported by the IMG, concerns streamlining of the Thousand Block Pooling Administration Guidelines (Thousand Block Guidelines) in order to reduce pooling administration costs. The INC concluded that the process as currently described in the guidelines is the most efficient for all parties (*i.e.*, Service Providers, the Pooling Administrator (PA), and the NANPA). In addition, the INC concluded that the PA's needs and Central Office Code Utilization Survey (COCUS) input are separate functions, and the results of the PA's administration of pool sizing and ongoing maintenance yields the CO Code (NXX level) information used for COCUS input. There was not any duplication of effort since the PA, in an attempt to perform its duties, outputs CO Code information that is needed for the COCUS.

Chairman Hasselwander interjected that while the IMG was working on the Thousand Block Guidelines and in negotiations with Lockheed Martin, it made changes to the requirements document that was initially proposed. Changes affecting the INC document were sent to the INC for review, and there is a difference between the IMG and the INC recommendations. Chairman Hasselwander asked Karen Mulberry to elaborate on this issue. Ms. Mulberry explained that when the IMG reviewed the requirements for the PA, as well as the NANPA responsibility to perform the COCUS, they found the PA only needed enough data to populate the pool for an 18-month period. The COCUS, however, is used to project Numbering Plan Area (NPA) and NANP exhaust, which is a forecasting process that covers a five-year period. IMG discussions concluded that the PA did not

have direct COCUS involvement; FCC rule requires only the NANPA to perform the COCUS. To size a pool, the PA would only use forecasting information, provided in the aggregate by service providers. In addition, service providers would submit this same information to the COCUS administrator, or the NANPA, for NPA relief planning. The IMG felt these duties are two separate functions and concluded that the PA need not collect five-year forecast data after collecting 18-month COCUS data from pooling participants. Therefore, the IMG recommended that the INC be asked to remove this function from the PA's responsibilities.

Mr. Murphy countered that, from the INC's perspective, the variance between the 18 months needed for the PA and the five years needed for the COCUS was not their main concern. Instead, the INC's focus was on the information the PA needs to establish and maintain an 18-month pool. The INC is concerned about this information flow relative to the timing of a new COCUS, which the NANC has just recently formulated. Pooling and the COCUS are two distinct activities and questions remain about the timing of COCUS availability and pooling establishment and maintenance. Also, the INC concluded that it would be best to keep the pool administration functions separate from those of the NANPA to minimize the impact whether industry used a request for proposal or sole source process for both of these functions. INC concluded that it would be more efficient if pooling and the COCUS were accomplished in the manner suggested by the current guidelines.

Ed Gould requested clarification on the meaning of "composite forecast" – which sounds like an intermediate party would process original carrier data and ultimately submit it to the NANPA, which could be problematic. Shawn Murphy replied that the PA's actual function in terms of handling service provider forecast data for a pooled environment had been redefined several times over the past nine months, and that it is not just aggregating data. The composite forecast is needed for proper pool sizing and maintenance. Without this, numbers may unnecessarily be included in the pool. To produce a forecast for a rate center pool, the composite forecast is used to aggregate data, and examine historical growth and the number of service providers and their forecasts.

Chairman Hasselwander asked if, under the IMG process, the NANPA would collect the data and then share it with the PA, and if, under the INC process, both the NANPA and the PA would collect the data. Mr. Murphy replied that the INC considered different scenarios that resulted in some concerns over the timeliness and synchronization of data delivery and the resulting forecasted demand. If the IMG's recommended changes were implemented, synchronization would still be needed so the NANPA's and PA's views of the forecasted demand would be the same. Chairman Hasselwander asked how data would be gathered under the INC proposal, and what the NANPA's role would be in collecting COCUS data. Mr. Murphy replied that the PA would gather thousands-block data on a rate center basis, and then perform pool-sizing functions and submit the composite forecast to the NANPA. The NANPA would collect COCUS data for non-pooling areas.

Norm Epstein clarified that the INC recommended changes regarding Issue 181 in an attempt to be consistent with IMG and Numbering Resource Optimization (NRO) Report recommendations concerning the COCUS (which NANPA completes and distributes). Regarding data synchronization, the NRO Report recommended that the NANPA perform a thousands-block-based COCUS every six months and deliver this to the PA, to eliminate discrepancies. In addition, the NRO Report states that carriers will submit to the NANPA thousands-block data in existing and planned pooling areas. If data was later given to the PA, it would not always be in thousands-block form, and it may not coincide with actual pool establishment, which could cause confusion about to whom data should be submitted. Consistent with the NRO Report, if data was given only to the NANPA, it could then be distributed to appropriate entities.

Beth Kistner expressed her preference that carriers submit all COCUS forecast and utilization data, in one format and on one schedule, to the NANPA, rather than to different entities. For pooling areas, carriers could simultaneously deliver the thousands-block data included in the COCUS to the PA. Because the NANPA has overall NANP management responsibility, it is essential that it collect individual carrier data on all area codes, not just the PA's composite forecast. Tony Pupek, USTA, stated that, relative to the INC decision and the NRO Report, when the NRO Report was developed, the NRO WG did not accomplish any work, and did not use the INC Guidelines, regarding the PA's function. The NRO Report says that the NANPA is responsible for COCUS data and the INC guidelines do not negate that responsibility. The question is whether the NANPA will work with the service providers or the PA in collecting COCUS data and developing results. The INC concluded that the data reporting process as currently described in the guidelines would be the most appropriate to allow the PA to gather data necessary to establish and maintain pools.

Ed Gould questioned whether the NANPA was asked if its ability to perform COCUS work would be compromised by the currently proposed INC guidelines. Mr. Murphy replied that the NANPA was present at the meetings and did not express any concerns. Chuck Eppert, Bell Atlantic, stated that Bell Atlantic participated in the NRO WG, the IMG, and the INC, consensus processes based on the information available and considered at the time, and now supports the INC consensus reached, based on the accountability and efficiency of the PA handling the data.

Chairman Hasselwander suggested that the Steering Group discuss this unresolved issue, which also has cost implications, in the thousands-block administration discussion. Gerry O'Brien asked if the PA would have confidentiality agreements with service providers who submitted forecast data. Mr. Murphy replied that this requirement has been included in the guidelines.

Mr. Murphy continued with the INC Report and pointed out the slide containing INC Highlights contained on page six of the report. With regard to the issue of rate center splitting during NPA relief, submitted by AT&T and Bell Atlantic (with contributions by AT&T, Bell Atlantic, MCI WorldCom, AirTouch, and SBC), requesting that it be prohibited -- INC accepted the issue and worked the contribution and, as a result

guidelines were modified and the issue was put in initial closure and is scheduled for final closure on August 30, 1999. At that time, the guidelines would provide that the NANPA could have authority to withhold codes that split rate centers. Chairman Hasselwander interjected that the Steering Group, and later, the full NANC, would discuss this issue.

INC established an Audit Workshop in response to the NANPA Oversight WG's request that the INC incorporate the guideline modifications required by the audits framework document. The INC will report NANP Expansion deliberations, conclusions, and options at the end of 1999. Mr. Epstein clarified that the NANP Expansion WG is working to find a single option for NANP Expansion, but this may not occur. Ed Gould asked if a completion date for this Workshop could be given. Norm Epstein replied that the WG would attempt to do so. Shawn Murphy replied that if the WG could not select only one option, the INC would select one option and decide the timeframe for NANPA expansion.

The LNPA Workshop discussion concerned the INC's recommendation that the NANC reconsider its November 1998 decision regarding the flow of forecast data from reseller/Type 1 Carriers, to the code holder, to the NANPA. The recommendation outlines the process for service providers to submit information to the NANPA, so it can later obtain information from resellers.

Possible issues if resellers were responsible for submitting data were included in the accompanying Reseller Background Information report. Chairman Hasselwander asked for clarification on what the INC concluded about this issue. Mr. Murphy stated that it is a service provider's responsibility to provide the name and contact information of any Reseller/Type 1 carrier that has obtained numbering resources from the service provider. The INC recommends that the Reseller/Type 1 carrier is then responsible for submitting its forecast and utilization data directly to the NANPA, which is contrary to the previous NANC decision. The INC feels that this approach is better suited for obtaining the desired information for COCUS purposes. Also, the INC feels that the NANC should establish a minimum threshold regarding the quantity of resources for reporting purposes by Resellers/Type 1 carriers. Some INC members expressed concern about releasing the resellers' name and contact information to the NANPA. In addition, INC members expressed concern about NANPA system changes associated with reporting granularity below the NXX level, which affects the minimum threshold for reporting. Finally, Resellers/Type 1 carriers that have a partial NXX assignment may be required to interface, in some manner, with the NANPA, if such an interface does not already exist.

Charles Hunter, Telecommunications Resellers Association (TRA), responded when Chairman Hasselwander asked if there was a reseller representative present to participate in the discussion. Gerry O'Brien questioned whether these resellers were using another carrier's switch to provide service, and whether resellers would report their own number usage. Shawn Murphy answered in the affirmative to the first question. Some Type 1 carriers, however, could have their own facilities. For the second question, the reseller would be responsible for reporting its own forecast and actual utilization data.

Ed Gould questioned whether the process required more information than the name and contact information. Beth Kistner questioned whether utilization and forecast reporting were discussed separately, because the underlying code holder would not necessarily have all forecast data. Also, the code holder would need to exclude Reseller/Type 1 carrier utilization data from its own report and to do so would be difficult. Mr. Murphy replied that the INC considered modifying the COCUS input forms by NPA/NXX, or by thousands-block, to include a field for reseller identification. The INC also determined that switch translation examination to determine utilization was too burdensome. Ms. Kistner questioned if the Reseller/Type 1 carrier were to report utilization data, whether the facilities-based carrier would have to exclude these numbers. Mr. Murphy replied that it depends on how the forms are set up. Information on numbers that are actually in service is kept in switch translation systems, but is not typically stored in numbers administration systems. All resources are identified in number administration systems, but status determination is not. Carriers would, however, exclude these numbers from their reports. A facilities-based carrier would not report on resources allocated to a Reseller or Type 1 service provider.

Bill Adair, SBC, stated that SBC strongly supports the INC's recommendation because obtaining reseller forecast and utilization data would give the NANPA more accurate data. Brian Baldwin, Ameritech, clarified that, for a block of numbers provided to resellers, switch translations route calls to the resellers, and information is not available whether or not all of the numbers in the block have been activated.

Meeting Administrative Note: At this point, Chairman Hasselwander temporarily turned the meeting over to Vince Majkowski, NARUC, to attend an outside conference call.

Karen Mulberry stated that it appears the INC proposal, when compared with the NANC agreement, was more cumbersome. If the original NANC agreement is used, then the code holder would have the information needed to appropriately size its facilities to accommodate resellers. The NANC should include language that would encourage the reseller and code holder to provide an appropriate forecast and utilization report to the NANPA. Tony Pupek stated that it appears the INC disagreed with what the NANC decided, and thus developed a proposal around which guidelines for reporting could be written.

Beth O'Donnell, NCTA, asked whether numbers not assigned to resellers' customers are available for assignment to anyone else and Shawn Murphy told her they were not. Also, the number of unused numbers assigned to resellers is unknown at this time, and some resellers may pay for numbers that are reserved but not actually in use. Trent Boaldin stated that part of the problem being experienced here is an attempt to delve into the business relationship between the carrier and the reseller, and agreed with Karen Mulberry's statement that the previous NANC decision was less cumbersome than the INC proposal.

Norm Epstein stated that GTE supports the INC recommendation because, in that case, it is clear who is responsible for data submission. Charles Hunter stated that TRA members might object strongly to additional reporting requirements, as was noted by Karen Mulberry, that might impose additional costs. In addition, TRA members would object strongly to providing confidential competitive data to a competitor, especially on the local level, such as business forecasts. Mr. Hunter asked for an opportunity to present this issue to TRA members so a policy can be formulated.

Vince Majkowski asked if it was absolutely necessary to make a decision on this issue by the INC specified date, or could the NANC address this issue further in next month's meeting. Mr. Murphy replied that the INC could wait for a decision, and that TRA input would be helpful. Bill Adair asked if the INC could determine if it was possible, for numbers assigned to Reseller/Type 1 carriers, to ascertain the actual numbers in use. Paul Hart, USTA, stated that the carrier assigned a code is the responsible party, and asked how a carrier might meet this responsibility if it does not receive the data. Increased costs for data collection should also be considered. Ms. Kistner asked what the INC recommendation is on where COCUS data is reported; *i.e.*, whether forecast thousands-block data is sent to the PA or the NANPA. Shawn Murphy clarified that the INC recommendation is that both forecast and utilization data will be sent to the PA.

E. Cost Recovery Working Group Report. Anne La Lena, Co-Chair provided the report to the Council. Ms. La Lena highlighted differences in the current recommendation and previous recommendation first presented on June 21st and stated there would be additional information except that the core of this recommendation would not change. There will be a further recommendation on what groups or entity should provide oversight under the suggested business arrangement, if it should come to pass. The CR WG is still working on the further recommendation on the oversight issue, and once completed, will come back to NANC with a recommendation.

Under recurring issues, Ms. La Lena reported there is an ongoing need for more participation; to the extent possible, if any NANC members have staff members to support the CR WG effort, it would be greatly appreciated. Co-Chair Frank Meeks and Ms. La Lena would welcome any and all volunteers. The next two meetings will be held by conference call on August 4th and August 18th.

Ms. La Lena, to refresh the Council's memory, reviewed the CRWG proposal regarding the business arrangement. The business arrangement, whether it will be a contract or an agreement, will contain terms, conditions, prices and functionalities performed by the NPAC on behalf of the NANPA in its role as pooling administrator.

The recent FCC cost allocation formula order may make this point moot, but there is still a need for a business arrangement for other reasons; mainly to provide a clear understanding for both entities and for the industry, of activities to be undertaken by the NPAC, with prices and terms as necessary. This is cost recovery for the vendor, under the NANPA cost allocation formula. Number pooling costs will not be paid by the LLCs and

LNP. This is identification of the method under which industry will seek to recover costs paid to the vendor.

Jim Castagna clarified that costs will be allocated to service providers, and that allocation would be the basis for the NBANC's collection of monies that will then be paid to Lockheed Martin for their services. This is the vendor's cost recovery.

Chairman Hasselwander noted that if the industry moves forward with thousands block pooling, it has now identified how costs will be recovered ; there is another issue about thousands block which will be heard in executive session, which relates to vendor costs. The Council may approve a method of recovery without knowing precisely what the costs are.

Ed Gould noted that the recommendation assumes that the NANPA is the pooling administrator. Ms. La Lena clarified that the recommendation would be the same regardless who is the pooling administrator. The Council approved the recommendation. The WG will continue its review of the impact of the biennial regulatory review and changes to the current allocation formula, and will make the necessary changes and report back to the Council. In response to the question of who might act in the oversight role, Ms. Le Lena offered the LLCs or the NANC as possible candidates.

NBANC Report. NBANC Chair Vincent Majkowski, NARUC, provided the report to the Council on the fund status and significant NBANC activities. The current fund balance is \$1.83 million; projected receivables total \$1.79 million, with payments to LM to date total \$1.43 million, with remaining payments totaling \$2.85 million for a total fixed contract for this year of \$4.28 million. Payments to NECA total \$86K to date with remaining payments totaling \$172K. Board expenses are \$5,787; this includes member reimbursement of \$4,909 and meeting expenses of \$878. Payments to an external auditor, Price Waterhouse Coopers to date are \$19.2K and for year two are estimated to be \$22K.

The Dominican Republic contribution of \$17.8K has been paid. For the 1999 Funding Process, the Dominican Republic made its contribution for 1999 as well. Alfred Oyog, Cable & Wireless, has agreed to coordinate and assist with NBANC collections from the remaining 12 countries. As of June 30, 1999 3,879 forms have been received; reporting gross revenues now total \$232 billion, with net revenues totaling \$188 billion.

F. Audits Issue Management Group (IMG), NPRM Paragraph 90. Karen Mulberry provided the report to the Council. Issues discussed included interim audits trial; audits framework document; industry guidelines at INC with a new workshop to address that; and NANPA CO Code audit responsibilities and functions, which is a further refinement based on discussion and recommendations of the IMG last month. The IMG is working with NANPA to refine what the responsibilities are for CO code audits.

Interim Trial Audit. The NANPA provided its perspective on the trial; three companies volunteered, one audit was performed, negotiations are ongoing with one carrier, and one

carrier withdrew its participation as a volunteer. The key attributes covered through the one trial were identified. As NANC agreed, there are no penalties associated with the trial audit at this time. NANPA audited COCUS submissions and months-to-exhaust worksheets, and concluded that this audit should take place at the time codes are requested, not after codes are assigned. There should be rigorous definitions of telephone number categories, to assist the auditor and to ensure acceptable quantities for each category. The final audit report should be available in August. The report will contain both the service provider and the NANPA perspective of the audit process itself and the actual application of it.

Audit Framework Document. The NANPA Oversight Working Group drafted a document and will present the document at the August NANC meeting for review and concurrence. Thereafter, the document will be forwarded to INC. The newly created INC workshop on audits will then begin their process of integrating it into the appropriate industry guidelines. The INC workshop will commence in September.

NANPA CO Code Responsibilities. NANC IMG is working on this item. There has been a draft developed by NANPA which is under review by both the IMG and NANPA. The document should be finalized and presented at the August NANC meeting.

Summary of Audit Activities. Responsive to NPRM paragraph 90, a list of activities was reported, noting that the timeline will need to be updated to include the INC progress. A progress report is due to the FCC by July 30, 1999. Chairman Hasselwander stated that the factual report is not controversial and is responsive to paragraph 90, which seeks a progress report of NANC audit activities. A draft letter with attached report will be circulated to the NANC for review and then forwarded to the Chief, Common Carrier Bureau.

G. NANC Issue Management Group – NPRM Paragraph 38. Jim Castagna provided the progress report to the Council. Paragraph 38 seeks a NANC recommendation regarding which, if any, of the measures discussed in Section IV, Administrative Measures of the NPRM, should be adopted as FCC rules. Section IV raises several issues for inquiry and discussion: (1) Definitions of categories of number usage; (2) verification of need for numbers; (3) reporting and record-keeping requirements; (4) audits; (5) enforcement; (6) reclamation of NXX blocks, and (7) cost elements and cost recovery.

Mr. Castagna advised that the Team will address the specific reasoning behind each of the recommended rules in its final report due at the August 24-25th NANC meeting. The NANC recommendation is due to the FCC by August 30, 1999. Prior agreements of NANC and its Working Groups were considered in the development of the tentative agreements and will be referred to as appropriate in the final report, so that NANC members can compare the prior recommendations regarding these issues. The Team will meet by conference calls.

Mr. Castagna reported the following tentative conclusions with respect to the above listed topics, noting that the IMG has put aside issue (1) definitions and categories, to include

the issue of a legally enforceable written agreement (LEWA) until after issues (2) through (7) have been addressed by the Team. The Team has developed tentative agreements that rules are appropriate and necessary with regard to issues (2) through (7). Regarding verification, a rule requiring service providers to demonstrate need for numbers by providing requested data is recommended. Regarding reporting and record-keeping, a rule requiring service providers to create and maintain records to substantiate forecasted demand, utilization, need for numbering resources, and/or all administration activities (*e.g.*, audits) is recommended. Regarding audits, a rule clarifying NANPA's authority and service provider obligations to participate in carrier audits is recommended. Regarding enforcement, a rule allowing NANPA to deny a service provider's request for numbering resources where a "bright line" eligibility requirement has not been met, *i.e.* a non-judgmental call, *e.g.*, where a service provider has not provided a COCUS or has not agreed to participate in an audit or some other situation that does not require a judgment call, is recommended. Where a bright line test does not exist, but a service provider's eligibility is questionable, a rule to allow NANPA to withhold the code, and notify the FCC in writing of such denial for further evaluation is recommended. Regarding reclamation, a rule requiring service providers to demonstrate use of previously assigned resources before a request for new or additional resources may be considered by the NANPA, is recommended. The Team will review the industry guideline enforcement provisions to see if there is a bright line test that is appropriate to identify where enforcement may take place. And finally, regarding cost elements and cost recovery, an FCC order providing for recovery of costs associated with pooling is recommended. This was based on NANC correspondence of September 23, 1998, introducing the NRO Report to the FCC, where the NANC strongly recommends that the FCC order clarify how cost allocation and cost recovery will be accomplished.

In response to questions concerning the bright line test, Mr. Castagna added that if service providers do not maintain and provide records when requested, and if they do not participate in audits, the enforcement of those violations would be the withholding of the resource – that is a bright line test. The months-to-exhaust worksheet is the requested data; NANPA reviews the worksheet. Reasonable or unreasonable information on the LEWA would be a bright line test. If validity of the data or methodology is questionable, NANPA would deny the assignment and seek advice from the FCC. Situations will exist where information is not clear to the NANPA, yet they will be required to make a decision – in those situations, we would rather have the NANPA report to the FCC where a service provider's eligibility is questionable. If information necessary to verify need for numbers has not been provided, that is a bright line test for which the NANPA may withhold the resource.

Beth Kistner recommended that cost recovery not be included in the list. Regarding reclamation of NXXs, it appears to be a verification of needs criteria addressed therein, and not enforcement. It appears to be a proposal for a verification test to show use of previously assigned resources. Ms. Kistner questioned whether the Team is suggesting that these become the rules, or recommending that rules be developed in these areas.

Mr. Castagna clarified that the Team has just reviewed the issues and drawn tentative conclusions and this text represents the general consensus of the Team, and opined that the Team may not be in a position to write a specific rule. The Team is trying to identify which if any of the administrative procedures or administrative issues or items would benefit if they were written as rules, and identifying what should be contained in the rules. The Team would not be interested in identifying specifically each item to be included in the rule, because it would be bound by what could be included; if any changes occur, then the FCC rule would have to be modified. The FCC will not allow the making of rule by referring to an industry guideline; this would enable a rule change by simply changing guidelines. What is necessary and appropriate should be identified and included in rules that would obligate service providers, and allow the NANPA to participate in activities that are necessary to manage the numbering resource from an administrative perspective.

Chairman Hasselwander noted that some of the recommendations mentioned already exist in industry guidelines. Are all these recommendations in existing guidelines today? Mr. Castagna stated they are not; but there are some measures in the current guidelines that are not being implemented. Verification for the need for numbers, using the months-to-exhaust worksheet is one; there may be other activities or items, e.g. certification is not necessarily a verification for a need for numbers, although certification shows that a service provider is authorized to provide service. The NANPA requirements to verify service provider eligibility is included in guidelines.

Chairman Hasselwander stated that the August report must contain enough specificity with respect to what is meant by the rules. Vincent Majkowski noted that state responsibilities are not mentioned in any of these recommendations, and reminded the Council members that Certificates of Convenience and Necessity from the states in which carriers operate in allows them “standing” and assists their obtaining NPAs in the state. The question of the NANPA’s neutrality and delegation of the enforcement role to the states is something that NARUC and many states will continue to push for.

Bill Adair added that there is a danger of too much specificity; if it is not complete, the recommendation may later be viewed as a total package when in fact it is incomplete. Hopefully, NANC will not struggle with how specific to get and how far to go. If the recommendation is not complete it must be clearly noted – the suggested content for a rule should be viewed as more illustrative. Chairman Hasselwander noted that specificity is a term of art and we do not want to get down into the guidelines; but on the other hand, there may be some references that make it clear enough to enable the reader to understand the guidelines without generating more questions than there are answers.

With respect to cost items and cost recovery, Chairman Hasselwander questioned whether the matter of cost recovery is responsive. NANC is on record with regard to cost recovery to the FCC. Jared Carlson, Alternate DFO, stated that the cost issue is included in Section IV, but added that costs are more laid out in the pooling section. The FCC would understand if NANC does not want to address it as a rule here. Nevertheless, the

FCC in Section IV did request a recommendation on whether cost recovery should be addressed in the rules or should it be left for the guidelines.

Mr. Castagna added that the IMG is endorsing the NANC's recommendation to the FCC contained in the cover letter to the October 1998 NRO Report, which stated that any order should address the allocation and recovery of costs. Designation of a cost recovery method by the FCC constitute an order to allow cost allocation and recovery to take place. This tentative conclusion does not recommend a rule requiring some action – it recommends that the FCC order that all service providers may recover costs associated with pooling. This is a reaffirmation of the NANC's position as stated in the October 1998 letter.

Ed Gould observed that under Section IV (H) there is no mention of pooling, and to associate this with pooling does not appear to be in the proper context. This section refers to the costs of administrative measures, but pooling was not one of the measures addressed in Section IV. Chairman Hasselwander called the question, and consensus was reached that this matter is not responsive. Therefore, the IMG will not address cost recovery or cost elements in development of the NANC recommendation in response to paragraph 38.

With regard to Reclamation, subsection(G), Mr. Castagna stated that statement included here is a first step in designing a rule for reclamation -- this is a work in progress. At this point these are tentative agreements which are not supported by the reasoning, but reasoning will be included in the final report. There are 3 or 4 more conference calls scheduled to develop the final recommendation.

H. Issue Management Group (IMG) - Paragraph 165 IMG Report. Tony Pupek, USTA, provided the update to the Council. Paragraph 165 requests that NANC submit any conclusions or recommendations that it may have regarding pooling, including pooling by CMRS providers, based on the NANPA's projections or the team's findings. The IMG has held one conference call and developed an information request that was e-mailed to Lockheed Martin-CIS, NANPA asking what had been done previously with the NANP Exhaust Study and the pooling model. The pooling model introduced was the last part of that study and the Exhaust Team, at that time, did not have a lot of time to get very detailed in the analysis and examination. The IMG's request to NANPA is an attempt to get an update of where NANPA has gone with the Pooling Model and whether any changes have taken place in the exhaust study of which NANC needs to be aware. NANPA's response was received June 18th and will now be assessed by the IMG. Chairman Hasselwander added that he will post the NANPA response on his web page. Additional conference calls and face-to-face meetings are scheduled for July and August. At the August 12-13th meeting, the Team will develop its conclusions and recommendations to be presented at the August 24-25th NANC meeting.

I. NANPA Oversight Working Group. Andrea Cooper, Co-Chair, provided the report to the Council. Key issues are the NANPA performance improvement plan; audit framework; audit requirements document; split rate center issue (at a very high level);

and a list of future meetings. With respect to the NANPA improvement plan, it is being monitored on a monthly basis at a minimum and often on conference calls in between regularly scheduled meetings. NANPA developed an issue matrix summary, which includes the items outlined in the performance evaluation with a status noted for each issue. This is updated frequently. Of the 15 key performance items identified in the performance evaluation, one major item, a revision of the NANPA Annual Report, was completed in June. NANPA is working on every area of the performance evaluation. They have completed various aspects and portions of several items in the evaluation.

Regarding the Audit Framework, referred to in the INC Report and Audit IMG report given earlier in the meeting, the WG baseline text for that audit framework was taken from a previous NANPA Working Group document from over a year ago. When the WG prepared the Pooling Administrator Requirements document, some of the activities and items outlined in the audit framework were included in the PA requirements document. The WG has agreed that the scope of the audit framework will include the relationship between the NANPA and a third party auditor when the document is finalized. This will include audits of service providers and NANPA for random and regularly scheduled audits. The WG intends to complete the audit framework for presentation at the August NANC meeting. Upon NANC approval, the audit framework document will be forwarded to the INC for deliberation at the September INC meeting. In response to a question concerning the scope of random and regularly scheduled audits, Ms. Cooper advised that there is still more discussion that needs to take place within the WG and with NANPA before this is completed. "For cause" audits should be included as well.

INC Report. Regarding Issue 194, Jo Gallagher and Julie Peterson are co-chairs of the INC Workshop which is reviewing the baseline text for the document from the INC working item. INC will develop a process and procedure for each numbering resource, and incorporate them as appropriate into industry guidelines.

The WG has agreed to undertake the development of an audits requirements document and provide oversight of the auditor selection process. However, at this time, no time line has been developed for completion of the requirements document. The audit framework will be used as the basis for the audits requirements document.

Split rate center issue. NANPA raised this issue, Issue 193, with the WG at its June 23rd meeting. The WG then developed an impact statement and then referred that issue to the NANC Chairman by letter. At the July INC meeting, the split rate center issue was introduced and accepted. It was referred to the NPA Workshop. A contribution was received recommending modification to the NPA Relief Planning and Notification guidelines. The contribution was accepted unanimously by the INC membership, moving Issue 193 to Initial Closure. Final closure and updating of the guidelines is expected by August 30, 1999.

Audit Framework. There was significant discussion concerning whether service provider audits and NANPA auditing should be competitively bid through an RFP process. There were objections raised concerning the lack of subject matter knowledge that an auditing

firm would have. However, if an audit framework and guidelines were carefully crafted, this may not be an issue. There was a suggestion of perhaps recommending the use of FCC auditors. Other opinions were expressed concerning the industry's ability to do the audits itself; perhaps the NANPA Oversight WG should be allowed to do the audits.

Chairman Hasselwander stated that NANC must move forward on this matter. The NANPA OWG has taken on the framework and answered the questions of who, where and when, and plans to refer the issue to the INC for development of the exact procedures. The major questions must be answered here by NANC. With respect to whether to develop an RFI, the Chairman suggested the OWG come back with a recommendation at the next meeting.

Peter Guggina added that NANC should be able to come to closure on whether this should be a third party audit process or not. Chairman Hasselwander agreed that such a policy level decision should be made by NANC.

A "for cause" audit is the NANPA's responsibility, and NANPA is the subject matter expert to best suited to conduct it. A third party auditor should conduct an audit of the NANPA, and for "for cause" audits that are not included in the LM bid. Chairman Hasselwander stated that NANPA is responsible for auditing as previously agreed; a bid is appropriate for auditing that falls outside of the scope of the contract. However, it was agreed that NANPA can be one of the bidders.

Chairman Hasselwander clarified that the OWG audit framework product should provide as many details as possible, such as frequency, sample size, what gets audited and how it is audited. It should also describe the relationship between the parties to an audit. Audits of service providers should go out for bid.

July 21, 1999

J. Meeting Minutes. The NANC June 22-23, 1999, meeting minutes were approved with modifications. A finalized version will be posted to the NANC web site at fcc.gov/ccb/NANC.

K. Numbering Resource Optimization (NRO) Working Group Report. Mike Whaley, Co-chair, provided the report to the Council, which included the NRO Report on Telephone Number Reservations and an update on the development of the timeline implementation for the new COCUS.

With respect to reserved numbers, the WG worked with the NANC characteristics of a reserved number recommendation in consultation with the INC and arrived at several assumptions concerning the application and administration of reserved numbers. The assumptions are listed in section 2 of the report.

Characteristics of reserved numbers. Under section 3, of the seven characteristics listed, it was agreed that items 2 and 5 should be combined to read as follows: A reserved

number has been set aside by a service provider at the request of a specific end user for that end user's future use. The end user is aware of the reservation of numbers. The issue of the legally enforceable written agreement (LEWA) remains an open issue to be addressed by the NANC.

There was discussion on whether new guidelines on reserved numbers would apply only to future reservations, and who would be responsible for notifying customers of the new limitations. Mike Whaley indicated that the NRO did not intend to "grandfather" the new requirements; the limitations would apply to future reservations. Mr. Whaley also confirmed that the service provider would notify its customers of the changes.

Further discussion on this issue delayed until after conference call concerning split rate centers.

L. Minnesota PUC Area Code Relief. Minnesota Commissioners Marshall Johnson, Joel Jacob and Greg Scott were present for the discussion, and Cheryl Callahan and Greg Pattenaude of the New York Public Service Commission staff participated via conference bridge. Maureen Scott, Arizona Commission, was also on line for the latter part of the call.

Chairman Hasselwander stated that the Steering Group attempted to frame the issue: When splits are along municipal boundaries vs. wire center boundaries that result in the splitting of rate centers, it requires a duplication of codes to preserve 7-digit dialing. The issue is whether states should be allowed to split rate centers along municipal boundaries in the course of exercising delegated authority for NPA relief. The issue was brought to NANC by NANPA Oversight WG, which asked the NANPA not to grant the code until the issue is decided.

Andrea Cooper stated that NANPA raised its concerns to the Oversight Working Group regarding the duplication of codes in Minnesota; and further advised that Arizona and New York have similar situations pending. The Oversight WG's concern for this use of the numbering resource and the awareness of exhaust of the NANP caused the WG to prepare its Impact Statement on this issue. The rapid use of NXXs to provide duplicate protected codes just to avoid 10-digit dialing is a great concern.

Ron Conners, NANPA, stated that NANPA has been heavily criticized by the industry for similar assignments. NANPA is sensitive to conservation on one hand and must also be sensitive to the local needs on the other hand.

Greg Scott, Minnesota Commissioner, stated that optimization is not the only focus in Minnesota, and that preservation of 7-digit dialing is very important. He also asked that the NANC not interfere with state area code decisions. The New York PSC supports Minnesota, and urged NANC not to recommend that splits along municipal lines be prohibited. States must be allowed to consider the full range of options; optimization is only one factor, and consumers should not be inconvenienced. We need to consider the

specific facts in each case to determine how duplication of codes would affect the life of an NPA.

Mike Whaley, US West, provided a hand out summarizing the history of rate center consolidation and NPA relief in Minnesota and its impact on U S West as the major service provider in that region. Mr. Whaley explained that when the 612/651 split occurred it required 32 NXXs to be duplicated. The further split of 612 into three parts will require a duplication of approximately 100 NXXs.

Vincent Majkowski stated that NARUC supports both the Minnesota and New York Commissions' positions and requested that the NANC not go forward with a recommendation to the FCC, noting that in each area there has been a lot of discussion conducted in open public forums, and that the ultimate responsibility of the effect of the area code decision rests with state commissioner. Commissioner Scott added that Minnesota is community sensitive and tries to minimize customer confusion and unnecessary disruption. New York concurred. Natalie Billingsley, California Commission, added that 7- vs. 10-digit dialing is a critical factor, but states are also driven by communities of interest and splitting along geographic lines makes sense to the public.

Beth Kistner, ALTS, commented that municipality lines have been used in the past, and as an example there are probably many protected codes in the VA-MD-DC area. The issue for NANC is what is the cumulative impact – what happens on a national basis. Peter Guggina, MCI Worldcom, agreed with Ms. Kistner -- we are using numbers at a unprecedented rate and there is expanding technology that will require more resources. The choice is between an inconvenient NPA boundary or a 4-digit area code (*i.e.*, expansion of the NANP). Therefore, MCI Worldcom supports national guidelines for uniformity in this area. Chairman Hasselwander asked for clarification on whether the issue should generically go to the FCC and, if so, what should be done about Minnesota.

In response to a question about the timing of action by the Minnesota Commission, Commissioner Scott stated that permissive dialing begins in February 2000. Ed Gould stated that the industry should modernize its NPA relief guidelines, but NANC should not, at this point, ask the FCC to prohibit splits along municipal boundaries. Regarding the Minnesota situation, 4 years of process by the Minnesota Commission should not be undone. Beth O'Donnell, NCTA, stated that going forward, splits along municipal boundaries should not be encouraged.

There was further discussion on the need to consider the effect in specific areas as well as the overall effect. In response to Chairman Hasselwander's question, no one advocated that the codes not be released to Minnesota. The NANC reached consensus on the matter of releasing the codes as requested by the Minnesota Commission, and will advise the NANPA of this decision. Going forward, rate centers should not be split. INC is already in the process of changing the guidelines.

Discussion followed concerning similar situations in other states. Norm Epstein added that thousands block pooling is a measure that may provide relief in NPA relief planning, and reminded the Council that industry guidelines can always be pre-empted by regulatory order.

Chairman Hasselwander stated that there are no specific guidelines on NANPA's authority to deny the request, and that the guidelines do not have the force of rules. Diane Griffin Harmon, DFO, agreed and stated that the FCC would have to grant such specific authority. Lolita Smith, CTIA, disagreed with a "do nothing" approach, stating that NANPA has a responsibility to act where there is an inefficient use of numbers. Chairman Hasselwander summarized the general support for letting INC go forward with the proposed INC guideline that is going to final closure in August (which states that rate centers should not be split along municipal boundaries). He suggested sending to the FCC a letter recommending that Minnesota receive its requested codes and supporting the INC establishment of guidelines concerning the splitting of rate centers. Bill Adair added that recommendations on the second issue in Minnesota – the 5-year exhaust limit for new codes – should also be forwarded to the FCC. Vincent Majowski cautioned the Council on placing too many restrictions on state regulators – do not tie their hands.

Loren Sprouse, Sprint, stated that NANPA needs the tools to make difficult decisions to avoid or prohibit practices. Karen Westrick, Omnipoint, agreed that this issue should be before the FCC in the context of the NPRM. Gerry Thompson, Mobility Canada, added that, per its charter, NANC owes the FCC advice on this matter. Chairman Hasselwander agreed to draft a letter for circulation for comment and to be acted on at the next meeting. All comments received will be circulated to the full NANC, and the issue will be finalized at the August meeting.

K. Continuation of NRO Report on Reserved Numbers. Mike Whaley continued reviewing the report. NRO did not evaluate the impact on thousands block pooling during the development of the October 1998 NRO report. Dan Hochvert suggested adding an implementation step for customer notification. Mr. Whaley indicated that there would be no grandfathering, but current customers with reservations would have a cut-off date to decide whether they want to keep or drop their reservation. Bill Adair suggested there should be included a time frame for implementation of the new reservation process. Chairman Hasselwander supported final action on this document at the August meeting. NANC must face the issue of LEWA and perhaps ask the FCC to eliminate the requirement or substitute it with the characteristics of reserved numbers.

The WG will memorialize Mr. Hochvert's suggestion - to clearly state the industry requirements for notification to existing customers (explain current limitation and the option to retain or the drop the reservation); service providers must explain the limitation on the reservation period to their customers - before the next meeting and incorporate the missing paragraph per Norm Epstein's suggestion. All NANC members should come prepared to finalize the issue of "legally enforceable agreement."

M. Number Pooling Administration Bid - Closed session. Peter Guggina reviewed the IMG's analysis and recommendation regarding the LM response to the PA requirements document. During negotiations, it was agreed to that there would be a credit for trials in Illinois and New York against the proposed contract totals; the agreement also gives a credit for CO codes saved. The agreement assumes reduced COCUS requirements. As a result, the LM bid was reduced by \$1.2 million dollars. The agreement also eliminates the risk associated with per-error charges in the previous proposal.

Additionally, if there are future changes in rate centers after pooling is established, LM will charge a flat fee per rate center change. There will be no charge for overlays. Pricing is in multiple blocks – an initial application price, plus pricing for subsequent blocks. Mr. Guggina described the complexity of processing multiple blocks on a single application. This pricing will be continually evaluated with possible pricing structure adjustments on the future competitive bid for the subsequent contract. The IMG believes the NANC and the industry should now focus on implementation, and on the upcoming NANPA and pooling bids.

In response to a question concerning ownership of software and servers to support pooling administration, Mr. Guggina indicated that the agreed bid price provides for industry ownership of servers and software. That is, if another vendor is selected in the future contract bidding, this equipment and intellectual property will convey to next administrator. Tony Pupek added that with respect to the pooling administration guidelines, the IMG determined some paring down was necessary, agreeing to exclude, temporarily, utilization data. For the time being, a limited amount of forecasting data to the PA necessary to establish the pools would be more efficient.

Responding to questions regarding justification for code requests, Ms. Mulberry stated that the COCUS forecast will be refreshed every six months, and carriers will be required to provide months to exhaust worksheet. Processes will be in place to assist the PA in establishing and maintaining the pools. The focus now is on functional requirements. Dan Hochvert noted that the PA will get utilization data as part of the application process under the new COCUS tool.

There was continued discussion and concerns raised about whether the PA would have enough information to do its job, particularly with determining the validity of growth code applications. There may be additional requirements with pooling and the COCUS hybrid model. Forecasts and months-to-exhaust data is sufficient to do the immediate job.

In response to questions on what the industry will not be able to do under this proposed contract, Mr. Guggina stated that there may be a “true-up” later on CO code assignment and thousands block reporting. This way pooling can get implemented sooner, rather than later. The IMG agreed that the limited forecasting approach to establish pools to keep them up and running was appropriate. However, it was noted that the INC may or may not adopt this approach.

With 17 NANC voting members present, NANC accepted the IMG proposal, with NARUC abstaining. A letter will be prepared by Chairman Hasselwander and Peter Guggina, conveying the results to the FCC in response the NRO NPRM, paragraph 184, CC Docket 99-200. Paragraph 184 seeks a NANC recommendation regarding what entity should serve as the pooling administrator. The letter will also state that in the future, NANC believes there should be a competitive bid on the next NANPA and PA contracts. Additionally, Chairman Hasselwander will draft a letter to INC, delineating the NANC's goals and suggesting changes to the guidelines as a result of this agreement reached.

M. Other Business. Establishment of dates for the NANC meeting schedule for the first half of the year 2000 will be discussed at the August meeting.

N. Next Meeting. August 24-25, 1999.

VI. Action Items and Decisions Reached.

1. Local Number Portability Working Group (LNPA WG). The LNPA WG will finalize methods and scope, forms, and process flows relating to LNP problem identification (PIM) and report to the NANC at the August meeting.

There will be further discussion of the *Second Report on Wireline/Wireless Integration* at the August meeting. NANC Members should review the report and send comments to NANC Chairman one week prior to August meeting. Focus of discussion will be on policy issues in report (e.g., alternatives and impacts on E911 process).

LNPA WG will continue to address service provider failure to receive broadcasts in an attempt to lower the failure rate. The WG should also bring to NANC additional information on these failures and what they mean to the service providers and customers.

2. Industry Numbering Committee (INC). Regarding the COCUS reporting of utilization and forecasting data by resellers, TRA Reseller Association will provide NANC with their recommendation as to the COCUS reporting requirements for resellers, at the August meeting.
3. Audit IMG. The IMG will prepare its report in response to paragraph 90 of the NPRM using the information presented at the July NANC meeting. Report will be sent to NANC Chairman by July 27 for distribution to the full Council.

Audit IMG will continue discussion with Lockheed Martin (LM) to determine which aspects of show cause audits are LM responsibility. Report in August with as much specificity as possible.

4. NANPA Oversight Working Group. The WG will continue defining audit structure beyond those determined to be NANPA responsibility in action item #3 - based on the conclusion that audits will be conducted by a third party, with NANPA as a possible bidder.
5. Minnesota Area Code Relief. NANC is not opposed to NANPA releasing the pending area code assignments for Minnesota.

NANC Chairman will draft a letter that is to be sent to the FCC that states NANC's position and recommendation concerning the splitting of rate centers as part of an NPA relief plan. The letter will be circulated among NANC members for comments; all comments received will be circulated to the full Council. The final letter will be addressed at the August NANC meeting.

6. Numbering Resource Optimization Working Group. NANC will take final action on the reserved telephone number (TN) recommendations of the NRO WG at the August meeting. NANC members should also be prepared to address the outstanding issue of using the term "legally enforceable written agreement" in the definition of a "reserved TN."

NRO WG will address the perceived need to revise the recommendation to include a statement to reflect that service providers should notify existing end user customers of the changes in the reserved number process and guidelines and bring it to the August NANC meeting.

7. Number Pooling Administrator Bid. NANC Chairman will draft a letter to the FCC notifying them of NANC's decision to recommend that LM/NANPA be named as the Pooling Administrator (PA) and that a competitive bid is not necessary at this time. Both the NANPA and the PA functions should be subject to the competitive bid process prior to the end of the existing LM/NANPA contract.

NANC Chairman will draft a letter to the INC notifying them of the PA decision and detail the required INC actions necessary as a result of this PA bid decision, such as adjustment or amendment to existing guidelines or documents.

8. NANC Meeting Schedule for 2000. NANC members should be prepared to firm up dates for the first six months of meetings for the year 2000 at the August 1999 meeting. Desired focus for the third Wednesday and Thursday of each month. Known conflicts with these suggested dates should be sent to the NANC Chair prior to the August NANC meeting.